

TRADEWINDS 2001

Brought to you by the California Department of Food and Agriculture

An Update from the Agricultural Export Program

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PLEASE NOTE THAT FAS HAS ISSUED THE FOLLOWING ANNOUNCEMENT:

On December 11, 2000, the U.S. Consulate in Istanbul, Turkey was closed temporarily due to security concerns. In addition, the U.S. Embassy in Ankara, Turkey, is on heightened alert status, but Embassy (and USDA/FAS) offices remain open. Please take this into consideration when making travel plans for Turkey.

ITC INVESTIGATES EU POLICIES ON HORTICULTURAL GOODS

The International Trade Commission announced on December 13, the launching of an investigation into how European Union policies affect the competitiveness of U.S. and EU horticultural products. In requesting the investigation, the Office of the U.S. Trade Representative noted that it is preparing for World Trade Organization talks on agriculture. The ITC report will focus on citrus, deciduous fruit, dried prunes, tree nuts, tomatoes, and wine. An ITC public hearing on the investigation is planned for April 26, 2001, at ITC headquarters. Requests to appear at the hearing should be filed no later than 5:15 p.m. on April 12 with the Secretary, U.S. ITC, 500 E Street S.W., Washington, D.C. 20436. Written submissions for the record (one original and 14 copies) should be sent as soon as possible but no later than 5:15 p.m. on June 11, 2001

REQUIREMENTS FOR SENDING CITRUS TO CHINA

1. The county commissioner office at the local level can answer questions regarding phytosanitary certification requirements.
2. Only citrus fruit produces in specified counties may be exported.
3. The agricultural commissioners have the list of approved facilities for each county.
4. To add a facility, the client should work through the California Citrus Quality Council (530) 885-1894.



Secretary, William (Bill) J. Lyons, Jr
Deputy Secretaries
Chris Wagaman, Tad Bell & Dan Webb
Assistant Secretary, Vanessa Arellano

Agricultural Export Program Staff:

Fred Klose, Juan Almanza, Josh Eddy, Ken Brock, Suzanne Lashley,
Beth Jensen, Cynthia Baldwin, Will Wollbold,
Brenda Coonfield, Elisza Gombocz

◆Trade Shows◆

For further information on how to participate,
please contact AEP at (916) 654-0389

**We are currently sponsoring California Pavilions
for the following shows:**

CPMA 2001

January 31 - February 3, 2001 - Vancouver, CANADA
3 CORNER BOOTHS LEFT

FOODEX 2001

March 13 - 16, 2001 - Tokyo, Japan

ANTAD 2001

March 17 - 19, 2001 - Guadalajara, Mexico

2001 US Food Export Showcase

May 5 - 7, 2000 - Chicago, U.S.

HOFEX 2001

May 8 - 11, 2001 - Hong Kong

SIAL Mercosur

August 21 - 24, 2001, Buenos Aires, Argentina

ANUGA 2001

October 13 - 17, 2001 - Cologne, Germany

CANADIAN PARLIAMENT VOTES TO REJECT MANDATORY BIOTECH LABELING

The Canadian Parliament has voted to reject a measure that would have expressed support for mandatory labeling for all biotech food products. The measure, which was defeated by a vote of 114-61, was introduced by Parliament Member Helene Alarie, who has been pushing for the mandatory labeling of all biotech food products for the past three years.

Although the Canadian Parliament appears to oppose mandatory labeling, it is likely that Canada eventually will implement some sort of biotech labeling requirements. In statements made earlier this year, Canadian Agriculture Minister Lyle Vancilief suggested that the government will ultimately adopt a biotech labeling regime, but that the government wished to provide industry and the Canadian General Standards Board time to develop a labeling scheme favorable to both parties. [World Food Chemical News, Nov. 8, 2000]

For more about international trade issues, such as Codex and its draft hygienic code for fresh fruits and vegetables, visit:

<http://www.pma.com/freshline/issues.cfm>.

NEWS YOU CAN USE

The Colorado Cattle Trade Cooperative and the Markets Division have produced a pocket-size dictionary of Spanish terms for livestock producers. The dictionary provides both Spanish-English and English-Spanish translations and contains some 400 words and phrases. It is a very handy guide for anyone in agriculture traveling to Latin America or who must on occasion use Spanish in their business. The cost of the pocket dictionary is \$5.95 and is available from the Colorado Markets Division.
email: dawn.velasquez@ag.state.co.us

The U.S. Organic Products Organic Trade Association, is pleased to offer FREE LISTINGS in next year's edition of the Organic Trade Association's Organic Export Directory. Go to <http://www.ota.com> to fill out the form on-line.

The U.S. Meat Export Federation (USMEF) is currently accepting applications from small U.S. companies interested in receiving funds to promote branded U.S. red meat products in international markets. For more information please contact Barbara Watson at USMEF's Denver office for guidelines and proposal format. Email: bwatson@usmef.org

Update on Exports to Cuba

Now that the sanctions are eased under legislation passed by Congress and just signed into law by U.S. President Clinton. Note that many restrictions still severely limit exports to the country and companies must still apply for a license from the Treasury Department, Office of Foreign Asset Control: <http://www.treas.gov/ofac>. Potential buyers can be found through USDA's Foreign Agricultural Service: <http://www.fas.usda.gov>

The Advantages of the DRC

The Fresh Fruit & Vegetable Dispute Resolution Corporation (DRC) was formed to allow firms in the U.S., Canada, and Mexico to have an opportunity to handle disputes relating to produce matters in a fair, prompt, and equitable manner. If you have any questions as to whether a firm has a DRC membership, call the Blue Book for a verbal report or check with the DRC web site at <http://www.fvdrc.com>.

EU Requests Sanctions Against U.S.

The European Union on November 17 asked the World Trade Organization (WTO) for authorization to impose up to \$4.04 billion of sanctions on the United States in a disagreement over a U.S. tax break scheme for businesses. However, it would be the middle of next year, if at all, before the EU could actually impose sanctions on U.S. goods. The WTO ruled in February that the U.S. Foreign Sales Corporation (FSC) programme, which granted around \$4 billion a year in tax breaks to major U.S. exporters. U.S. President Bill Clinton signed legislation repealing the FSC programme, which doled out tax breaks to exporters through offshore subsidiaries, and replacing it with a new tax relief system for U.S. companies. Washington says the new law, which excludes some types of foreign source income from U.S. taxes, brings it into line with the WTO ruling, but the EU contests this.

U.S. Mexico Stone Fruit Work Plans

In January 2001 Mexico's Direccion General de Sanidad Vegetal (DGSV) and USDA will be discussing trade issues that will address the following:

1. Delays in implementing the various stone fruit work plans.
2. Slow identification of intercepted pests at the border.
3. Unwarranted program cancellations.
4. Non-phytosanitary border rejections for typographical errors, etc.
5. Unfair work plan requirements.

For further information, please contact our office.

Jordan & U.S. Sign Free Trade Agreement

Jordan and U.S. signed a free trade agreement at a White House ceremony on October 25. The pact will do away with, over a 10-year period, all trade barriers between the two countries. This agreement is the first in U.S. commercial history that contains protections for workers' rights and the environment. Earlier in the day, King Abdullah and President Clinton held a meeting to discuss bilateral cooperation, particularly in economic, investment and new areas to be provided by the Free Trade Agreement.

Israeli Fruit and Flower Exporters to Receive Added Assistance

Finance Minister Shochat approved an immediate assistance plan of \$10.9m for farmers that have suffered a serious profit decrease due to the strengthening of the shekel and the weakening of the European currency. Shochat has also called for the inter-ministerial committee to prepare a long-term plan to assist agricultural exporters. Over the first eight months of 2000, shekel income from flower exports have fallen by 34%, from \$182m garnered in 1999 to \$120m this year. The fall reflects the weakening of the Euro during this period, as the volume of flowers exported had fallen only by 4%. Citrus fruit had also registered a 28% drop in their shekel income, while only a 4% fall in quantity exported. Shochat said that the areas most severely affected were the Arava, the Jordan Valley and the Negev, where agriculture was the main stay of the residents.